United Nations A/C.5/66/SR.29

General Assembly
Sixty-sixth session

Official Records

Distr.: General
25 May 2012

Original: English

Fifth Committee

Summary record of the 29th meeting
Held at Headquarters, New York, on Thursday, 15 March 2012, at 10 a.m.

Chair: Mr. Tommo Monthe ..... (Cameroon)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

Contents

Agenda item 134: Programme budget for the biennium 2012-2013 (*continued*)

Standards of accommodation for air travel (*continued*)

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

12-26478 (E)

Please recycle

The meeting was called to order at 10.05 a.m.

Agenda item 134: Programme budget for the biennium 2012-2013 (*continued*)

Standards of accommodation for air travel (*continued*) (A/66/676 and A/66/739)

1. **Mr. Sach** (Officer-in-Charge, Department of Management), introducing the report of the Secretary-General on proposals for a more effective and efficient utilization of resources for air travel (A/66/676), said that the report, submitted in response to a request made by the General Assembly in its resolution 65/268, was divided into eight sections. The first seven described recommended reform measures for air travel by United Nations officials; coordination on air travel matters across the United Nations system; the use of frequent flyer miles for official travel; the tracking of costs associated with commercial air travel; implementation of the Umoja travel module and the delegation of authority to grant exceptions to the standard of accommodation for air travel. The last section provided a summary of the Secretary-General's recommendations for consideration by the General Assembly.

2. The basis of the recommendations was an overall review of travel entitlements conducted by the Office of Human Resources Management. More specifically, with regard to frequent flyer miles, the Secretary-General recommended that the administrative instruction on official travel should be amended to include a provision instructing all staff of the United Nations not to use, for personal travel, any frequent flyer miles gained as a result of conducting official business on behalf of the Organization and encouraging the use of such frequent flyer miles for official travel.

3. The Secretariat had conducted a study assessing the possibility of establishing a formal system to use frequent flyer miles for official travel. The study had benchmarked the practices of the United Nations with those of other international organizations, certain Member States and the private sector, analysed travel expenditure in New York and Geneva and explored the potential for outsourcing the acquisition of air tickets in exchange for frequent flyer miles. Based on the results of the study, the report had concluded that introducing an institutional frequent flyer mile system would not be cost-effective, as no net savings would be achieved.

4. In respect of travel planning, the Secretary-General had introduced a process to ensure finalization of travel arrangements 16 days in advance. That step should result in the Organization purchasing more lower-cost advance air fares. An online booking tool would be brought into use in April 2012, though only some itineraries could be booked online; and most would still require manual booking and the involvement of qualified agents.

5. With regard to the standards of accommodation for air travel, the Secretary-General recommended that all consultants, individual contractors and meeting participants should be required to travel in economy class, with the exception of members of committees and panels. In addition, the payment of daily subsistence allowance for time spent in flight should be discontinued. Concerning alternatives to air travel, the Secretary-General recommended that programme managers should be required to certify that due consideration had been given to alternative methods of meeting, such as videoconferences. Environmental factors should also be given due consideration when determining the mode of travel, without increasing travel costs. Where possible, alternatives which would lead to lower greenhouse gas emissions, such as rail travel, should be encouraged.

6. The current route selection policy should be changed, to give priority to the most economical route rather than the most direct and economical route, unless to do so disproportionately extended travel time. The aim was to take advantage of alliances between airlines. It was also recommended that when official travel was combined with home leave, the standard of accommodation for the entire journey should be economy class.

7. The Secretary-General advised tightening the conditions under which travel in business class was authorized: the standard of accommodation for each leg of a journey should be determined independently, unless travel to the final destination was resumed or continued on the same day. Furthermore, the maximum connecting time that could be included as part of the total flying time should be reduced from four hours to two hours. It was recommended that the intermediate rest stops allowed after 16 hours of flying time should be eliminated.

8. Economy class should be the standard of accommodation for travel associated with learning and development activities, regardless of the flying time. Staff should also be encouraged to downgrade voluntarily where possible from a business class

entitlement to premium economy or economy class. It was further recommended that, if travellers chose the lump-sum option for home leave or family visit, choice of that option should entail foregoing the travel time entitlement, in other words, time not counted as annual leave. For the sake of streamlining administrative processes, the General Assembly was invited to approve the extension of the lump-sum option for travel on initial appointment, transfer and assignment.

9. With regard to the coordination of air travel matters across the United Nations system, the Inter-Agency Travel Network, which included the Secretariat, had explored the possibility of establishing global airline agreements and had found that such agreements were ultimately not cost-effective. However, United Nations organizations at a number of duty stations, including New York and Geneva, used their combined purchasing power to gain airline discounts. It had been found that the discounts negotiated for trips originating in North America or Europe could in fact be used for either point of origin and indeed for many other destinations. They thus constituted de facto global discounts.

10. In response to the request made by the General Assembly in paragraph 2 (a) of the annex to its resolution 65/268 for the establishment of a mechanism to track all costs associated with air travel, the Office of Programme Planning, Budget and Accounts had reviewed the issue. The Umoja travel module had been designed to fulfil that function. As described in the third progress report of the Secretary-General on the enterprise resource planning project (A/66/381), the full implementation of Umoja was projected for 2015. The travel module was one of the most critical parts of the second phase of implementation, called Umoja Extension, and would be deployed in 2014.

11. Turning to the issue of delegation of authority to grant exceptions to the standard of accommodation for air travel, he recalled that the General Assembly, in its resolution 42/214, had given the Secretary-General the ability to allow first-class air travel on a case-by-case basis. That discretionary authority was delegated to the Office of the Under-Secretary-General for Management, and provided for consideration of a medical condition necessitating a certain level of comfort not available to the traveller under the regular entitlement; the normal standard of accommodation being unavailable; the trip involving an arduous journey; the traveller being considered an eminent person, such as a head of State or Government; or the traveller being considered a prominent international figure and being in a position of donating services free of charge to the Organization. The Administration had found those procedures sufficient and therefore had not proposed any changes to them.

12. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/66/739), said it contained general observations and individual remarks on each of the Secretary-General's proposals. The Advisory Committee stressed that resources for official travel should be utilized judiciously. Before official travel was authorized, full account should be taken of its cost-effectiveness and the potential impact on productivity.

13. The Advisory Committee was not fully satisfied with the quality of the Secretary-General's report, which should have provided information on the effect of the proposed measures in terms of cost savings, potential impact on staff productivity, working hours lost or gained and effective mandate implementation. In that regard, the Advisory Committee suggested that, for any measures implemented, the Secretary-General should be requested to provide such information in an initial report to be presented to the General Assembly at its sixty-seventh session, and thereafter in further regular reports. The lack of sufficient detail in the Secretary-General's report had led the Advisory Committee to request significant additional information in order to assess the merits of each measure; that information was reflected in its report and had been taken into account in its conclusions and recommendations.

14. The Advisory Committee had noted that tracking of all air travel costs in the Secretariat was contingent on the implementation of Umoja, and in particular its travel module, to be deployed in 2014. It would further examine the issue of the delegation of authority for granting exceptions for first class travel in the context of the Secretary-General's biennial report on the standards of accommodation for air travel. With regard to procurement, it suggested that the Secretary-General should be requested to explore other cost-effective options for acquiring air travel services, taking into account the experiences of other organizations. The Advisory Committee noted that, in line with the request made by the General Assembly in its resolution 65/268, a comprehensive audit of all air travel activities and related practices was to be conducted by the Office of Internal Oversight Services, beginning in February 2012.

15. The Advisory Committee had raised the issue of interaction with other entities and staff, emphasizing the need for consultations with other United Nations system organizations that might be affected by any measures adopted. It had also recalled the importance attached by the General Assembly to constructive dialogue between staff and management and trusted that such dialogue would be ensured.

16. **Mr. Benmehidi** (Algeria), speaking on behalf of the Group of 77 and China, said that the Group had taken note of the Secretary-General's report and would be examining its recommendations. The late issuance of the report of the Advisory Committee was a matter of concern, as it had affected delegations' ability to carefully consider the issues at hand. The Organization's air travel requirements were connected with the implementation of its mandates, and must be governed by continued and enhanced accountability. Further efforts could also be made to harmonize air travel practices across the United Nations system. The Group looked forward to fruitful discussion of the issue, and recalled that policy formulation remained the exclusive domain of the General Assembly.

17. **Mr. Lieberman** (United States of America) said that the discussion of air travel policies was an opportunity to advance key parts of the agenda for reform, a goal that should be shared by all who ultimately aimed to strengthen the Organization. In their reports, both the Secretary-General and the Advisory Committee had emphasized that resources for official travel should be used judiciously. He commended the Secretary-General's leadership in making recommendations to make expenditure on air travel — standing at $73 million — more efficient. The measures contained in the report should be implemented as soon as possible. United Nations personnel and Member States should set an appropriate example at a time when so many people around the world were facing economic hardship.

18. His delegation believed that technology should be used more extensively to hold meetings without incurring the high costs of air travel, though it also recognized that technology could not universally replace face-to-face meetings, which had added value. However, where travel was inevitable, the Organization's finite travel resources must be used more rationally and carefully.

19. The Secretary-General's report had revealed a number of disturbing facts that demonstrated the need for an alignment of the Organization's standards of accommodation for air travel with those of Member States. According to the report, each reservation was changed between three and five times before a ticket was issued, and daily subsistence allowance was payable to United Nations officials even while in flight. Those were just two egregious examples of unjustifiable practices that must be changed. In addition, the excessive, costly and wasteful use of business and first class travel should be curbed as a means of meeting the Organization's travel requirements at a lower cost. Member States too must make more responsible use of United Nations resources for official travel. Such practices as paying Member State representatives a daily subsistence allowance 40 per cent greater than the standard allowance must be scrutinized.

20. His delegation shared the concerns expressed by the Advisory Committee regarding the lack of transparent system-wide air travel data. In order to maximize savings, a comprehensive view of patterns of waste and abuse across the United Nations system was needed. While the assurances that Umoja would be operational in 2015 were encouraging, the Secretary-General was urged to find ways to track overall expenditure in the meantime.

21. **Ms. Sohn** Sung-Youn (Republic of Korea), recalling the Committee's frequent calls for the efficient use of resources at a time of economic crisis, said that her delegation supported the Secretary-General's recommendations on air travel, which were in line with his call to "do more with less" in the context of the United Nations reform initiative. In particular, her delegation welcomed the proposals to establish economy class as the standard accommodation for consultants, individual contractors and trainees, regardless of flight duration; to discontinue payment of in-flight daily subsistence allowance; and to instruct staff not to use frequent flyer miles accrued through official travel for personal travel. However, efforts to reduce air travel costs must not seriously hamper the productivity, effectiveness or morale of United Nations staff. A balanced approach that was acceptable to both staff and Member States was needed.

22. As the Advisory Committee had noted, the Secretary-General's report must contain more data, notably further analysis of the cost savings, impact on productivity and effective mandate implementation resulting from the proposed measures, in order to enable the Member States to reach decisions. In

addition, the air travel practices and travel standards of other comparable international organizations and of Member States representing different levels of economic development should be studied further.

23. **Mr. Onuma** (Japan) said that the efforts of the Secretariat to use resources for air travel in an effective and efficient manner were commendable. The measures proposed in the Secretary-General's report were another step in the right direction. His delegation welcomed the proposal to modify the conditions applying to the granting of travel in business class and wished to know whether additional steps could be taken in that regard. While recognizing that an extensive study had been conducted on the prospect of implementing a formal programme to manage the use of frequent flyer miles for official travel, he requested further clarification on the feasibility of such a measure. Japan was willing to share its own experience with the travel-related issues under consideration.

24. **Mr. Sach** (Officer-in-Charge, Department of Management) said that he appreciated the Advisory Committee's support for the proposals contained in the Secretary-General's report and would clarify any outstanding technical questions during the informal consultations. The Department of Management stood ready to launch any measures that were approved.

25. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), in response to the comments made by the representative of Algeria on behalf of the Group of 77 and China, said that the Advisory Committee attached great importance to the timely issuances of its reports, but also believed that it was critical to present sufficient information to genuinely assist Member States in their decision-making process. While the Advisory Committee had needed additional time to gather appropriate information for the report at hand, it would continue to bear in mind the need for timely submission of its reports.

The meeting rose at 10.40 a.m.